

## Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Unit Name TRI-COUNTY REGIONAL PLANNING COM	County INGHAM
Fiscal Year End 9/30/06	Opinion Date 10/27/06	Date Audit Report Submitted to State 12/21/06	

We affirm that:

We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES NO Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☐ ☒ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

<b>We have enclosed the following:</b>	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) LAYTON & RICHARDSON, P.C.		Telephone Number (517) 332-1900	
Street Address 1000 COOLIDGE ROAD		City EAST LANSING	State MI
		Zip 48823	
Authorizing CPA Signature <i>Merrick A. Richardson CPA</i>		Printed Name MERRICK A. RICHARDSON	License Number 5710

TRI-COUNTY REGIONAL PLANNING COMMISSION

FINANCIAL STATEMENTS

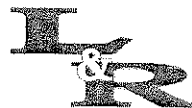
FOR THE YEAR ENDED SEPTEMBER 30, 2006

AND

INDEPENDENT AUDITORS' REPORT

AND

SINGLE AUDIT REPORTS



**Layton & Richardson, P.C.**  
*Certified Public Accountants*

# CONTENTS

	FINANCIAL STATEMENT PAGE	SUPPLEMENTARY MATERIAL PAGE
INDEPENDENT AUDITORS' REPORT	1-2	
MANAGEMENT'S DISCUSSION AND ANALYSIS		3-6
BASIC FINANCIAL STATEMENTS		
Statement of Net Assets	7	
Statement of Activities	8-9	
Balance Sheet – Governmental Funds	10-11	
Reconciliation of the Governmental Funds Balance Sheet To the Statement of Net Assets	13	
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	14-17	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds - Budget to Actual		19-20
Notes to Financial Statements	21-27	
COMBINING AND INDIVIDUAL PROJECT STATEMENTS		
SPECIAL REVENUE FUND		
Combining Schedule of Project Revenues	28-31	
Combining Schedule of Project Expenditures	32-35	
Schedule of Project Revenues and Expenditures		
Centers for Regional Excellence / MSHDA	36	
Wellhead Protection	37	
Non-Point Pollution Committee 2006	38	
Groundwater Management 2006	39	
Aquifer Study	40	
Mid-Michigan Water Authority 2005	41	
Mid-Michigan Water Authority 2006	42	
Aerial Photography	43	
EDA Administration Grant 2005 - 2006	44	
EDA Administration Grant 2006 - 2007	45	
Modeling	46	
Regional Economic Development Team	47	
STP	48	
MDOT Grant – Asset Management	49	
MDOT/FHWA PL Funds	50	
Federal Transit Administration – Section 5303 Funds	51	
Regional Transportation Contract	53	
Analysis of Completed Projects	54-56	
Analysis of Local Match and Indirect Charges	57	
Analysis of Indirect Cost Rate	58	
Schedule of Fringe Benefits	59	
Transportation Summary of Expenditures		
Regional Transportation	60-63	

CONTENTS - Concluded

	FINANCIAL STATEMENT PAGE	SUPPLEMENTARY MATERIAL PAGE
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT</u> <u>AUDITING STANDARDS</u>	65	
REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133		67-69
SCHEDULE OF FEDERAL FINANCIAL AWARDS		70-71
SCHEDULE OF FINDINGS AND QUESTIONED COSTS		72
LETTER OF COMMENTS AND RECOMMENDATIONS		73-75



# Layton & Richardson, P.C.

Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

Commission Members  
Tri-County Regional Planning Commission  
Lansing, Michigan

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-County Regional Planning Commission as of and for the year ended September 30, 2006, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Tri-County Regional Planning Commission. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-County Regional Planning Commission as of September 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2006, on our consideration of Tri-County Regional Planning Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and the budgetary comparison information on pages 3 through 6 and 19 through 20 are not a required part of the basic financial statement but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Tri-County Regional Planning Commission's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of Tri-County Regional Planning Commission. The schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Larson + Richardson P.C.*

*Certified Public Accountants*

East Lansing, Michigan  
October 27, 2006



**50 Years of Service**  
**1956 - 2006**

## Tri-County Regional Planning Commission

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### OFFICERS

**CHAIRPERSON**  
Susan McGillicuddy

**VICE-CHAIRPERSON**  
Larry Martin

**TREASURER**  
Phil Chisholm

**SECRETARY**  
Shirley M. Rodgers

**COMMISSIONERS**  
Rebecca Bahar-Cook  
Russel Bauerle  
Kathie Dunbar  
J. William Hawes  
Dianne Holman  
Alvin Kempf  
Harold Leeman, Jr.  
Fred Marquardt  
Diane Goddeeris  
Ralph Monsma  
David Pohl  
Marsha Small  
Larry Smith  
Mark Smuts  
Carol Wood

### EX-OFFICIO

**LANSING MAYOR**  
Virgil Bernero

**COUNTY BOARD CHAIRPERSONS**  
Victor Celentino  
Leonard Peters  
Larry Martin

**EXECUTIVE DIRECTOR**  
Jon W. Coleman

## TRI-COUNTY REGIONAL PLANNING COMMISSION

### MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Tri-County Regional Planning Commission annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal year ended September 30, 2006. Please read it in conjunction with the financial statements that immediately follow this section.

### Financial Highlights

Our financial status improved over the last year. Net Assets increased by approximately \$80,000. In 2005 and 2004 Net Assets increased by approximately \$29,000 and \$3,600, respectively. Total net assets are now \$373,653 of which \$41,858 represents capital assets. These net assets will be used for operating cash-flow and future capital asset purchases. See tables 1 and 2 below.

Table 1  
Statement of Net Assets

#### Governmental Activities

	2006	2005	2004
Current and other assets	\$ 685,534	\$ 582,349	\$ 696,774
Capital Assets	<u>41,858</u>	<u>46,380</u>	<u>49,594</u>
Total Assets	<u>\$ 727,392</u>	<u>\$ 628,729</u>	<u>\$ 746,368</u>
Total Liabilities	<u>\$ 353,739</u>	<u>\$ 334,995</u>	<u>\$ 481,440</u>
Net Assets			
Investment in Capital Assets			
Assets	\$ 41,858	\$ 46,380	\$ 49,594
Unrestricted	<u>331,795</u>	<u>247,354</u>	<u>215,334</u>
Total Net Assets	<u>\$ 373,653</u>	<u>\$ 293,734</u>	<u>\$ 264,928</u>

**Table 2**  
**Change in Net Assets**

**Governmental Activities**

	2006	2005	2004
Net Assets, October 1	\$ 293,734	\$ 264,928	\$ 261,286
Results of Operations	79,594	23,763	3,642
Prior Period Adjustments	<u>325</u>	<u>5,043</u>	<u>0</u>
Total Changes in Net Assets	<u>79,919</u>	<u>28,806</u>	<u>3,642</u>
Net Assets, September 30	\$ <u>373,653</u>	\$ <u>293,734</u>	\$ <u>264,928</u>

For 2006, 2005 and 2004, overall revenues were \$1,406,646, \$1,760,349 and \$1,079,330, respectively, and overall expenses were \$1,327,052, \$1,736,586 and \$1,075,688, respectively, as reported in the statements of activities. These amounts do not include transfers from Commission General Fund to Project Special Revenue Funds used as match when required which were \$144,447 for 2006, \$125,923 for 2005 and \$102,036 for 2004. See table 3 below.

**Table 3**  
**Changes in Net Assets**  
**Governmental Activities**

	2006	2005	2004
<b>Revenues</b>			
Program Revenues			
Federal, state and local funding	\$ 1,100,816	\$ 1,503,022	\$ 853,084
General revenues			
Local Dues	299,509	249,975	223,632
Interest	6,321	7,049	2,314
Miscellaneous	<u>303</u>	<u>303</u>	<u>300</u>
Total Revenues	<u>1,406,646</u>	<u>1,760,349</u>	<u>1,079,330</u>
<b>Expenses</b>			
General Administration	94,906	120,376	132,992
Projects	<u>1,232,146</u>	<u>1,616,210</u>	<u>942,696</u>
Total Expenses	<u>1,327,052</u>	<u>1,736,586</u>	<u>1,075,688</u>
Increase in Net Assets	79,594	23,763	3,642
Prior period adjustment	325	5,043	
Net Assets – Beginning	<u>293,734</u>	<u>264,928</u>	<u>261,286</u>
Net Assets – Ending	\$ <u>373,653</u>	\$ <u>293,734</u>	\$ <u>264,928</u>

**Overview of the Financial Statements**

This annual report consists of three parts - management discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the agency.



The first two statements are agency wide financial statements and provide both long-term and short-term information about our overall financial status. These statements present governmental activities.

The remaining statements are fund financial statements, which focus on the detail of each of the agency's fund accounts. The notes to the financial statements explain some of the information in the statements and provide more detailed explanation.

Required supplementary information further explains and supports the financial statement information with budgetary comparisons.

### **Agency Wide Statements**

The agency wide statements report information about the Commission as a whole, using accounting methods and terms normally used by private companies. The statement of net assets includes all the Commission's assets and liabilities. The statement of activities records all of the current year revenues and expenses regardless of when received or paid.

The two agency wide statements report net assets and how they have changed. Net assets are the difference between the Commission's assets and liabilities, which is one method to measure the Commission's financial health or position.

Over time, increases or decreases in the Commission's net assets are an indicator of whether the agency's financial position is improving or deteriorating.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Commission's funds. Funds are established to account for funding and spending of specific financial resources and to show proper expenditures of those resources.

The agency has the following Governmental funds:

*General Revenue Fund* - The Commission's activities are accounted for in the general fund, classified in the governmental fund category.

*Special Revenue Fund* - The Project activities are accounted for in a special revenue fund.

These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that differences between the agency wide statements and the fund statements are disclosed in the reconciling financial statements to explain the differences between them.

### **Financial Analysis of the Agency as a Whole**

Net Assets - The Commission's net assets increased during the year ended September 30, 2006 by \$79,919. Total unrestricted net assets were \$331,795 at year end. The unrestricted net assets will be used for operating cash-flow and future capital asset purchases.


Liabilities - The Commission's liabilities increased by \$18,744. This was due primarily to an increase in deferred revenue. There was a decrease in current accounts payable that offset some of the increase in deferred revenue.

#### **Financial Analysis of the Commission's Fund**

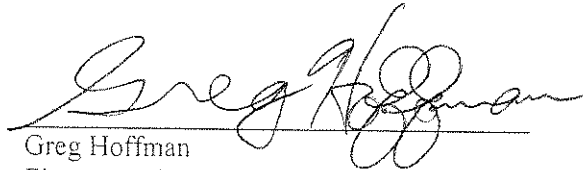
Amendments to our budget for the year ended September 30, 2006 were to add a project and to cover changes in certain operational expenditures.

#### **Contacting Commission Management**

This financial report is designed to provide a general overview of the Commission's finances and to demonstrate the Commission's accountability for the revenue it receives. If you have any questions concerning this report, please contact the Commission's office.



Jon W. Coleman  
Executive Director



Greg Hoffman  
Finance and Personnel Coordinator

TRI-COUNTY REGIONAL PLANNING COMMISSION

STATEMENT OF NET ASSETS

SEPTEMBER 30, 2006

GOVERNMENTAL  
ACTIVITIES

ASSETS

ASSETS

Cash and cash equivalents	\$	368,937
Investments		41,019
Due from other governmental units		258,531
Prepaid expenses		17,047
Fixed assets (net of accumulated depreciation)		<u>41,858</u>
TOTAL ASSETS	\$	<u><u>727,392</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable		
Trade	\$	126,117
Retainers		22,664
Accrued wages and related items		49,149
Deferred revenue		<u>155,809</u>
TOTAL LIABILITIES		<u>353,739</u>

NET ASSETS

Invested in capital assets, net of related debt		41,858
Unrestricted		<u>331,795</u>
TOTAL NET ASSETS		<u>373,653</u>
TOTAL LIABILITIES AND NET ASSETS	\$	<u><u>727,392</u></u>

See accompanying notes to financial statements.

TRI-COUNTY REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2006

	DIRECT EXPENSES	INDIRECT EXPENSES	CHARGES FOR SERVICES
FUNCTIONS/ PROGRAMS			
Governmental Activities			
General commission	\$ 94,906	\$	\$
Project expenses	<u>840,417</u>	<u>391,729</u>	<u>                    </u>
Total Governmental Activities	<u>\$ 935,323</u>	<u>\$ 391,729</u>	<u>\$</u>
General Revenues			
Grants and contributions not restricted to specific programs			
Unrestricted investment earnings			
Total General Revenues			
Change in Net Assets			
Net Assets, October 1			
Prior period adjustment			
Net Assets, September 30			

See accompanying notes to financial statements.

		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		
PROGRAM REVENUES		PRIMARY GOVERNMENT		
OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
\$	\$	\$	\$	\$
1,100,816		(94,906)		(94,906)
		(131,330)		(131,330)
\$ 1,100,816	\$	(226,236)		(226,236)
		299,509		299,509
		6,321		6,321
		305,830		305,830
		79,594		79,594
		293,734		293,734
		325		325
		\$ 373,653	\$	\$ 373,653

TRI-COUNTY REGIONAL PLANNING COMMISSION

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2006

	GENERAL	SPECIAL REVENUE FUND - PROJECTS INDIRECT COST
ASSETS		
Cash and cash equivalents	\$ 368,937	\$
Investments	41,019	
Due from other governmental units		
Due from projects	102,722	
Prepaid expenses	17,047	
TOTAL ASSETS	\$ 529,725	\$
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable		
Trade	\$ 126,117	\$
Retainers	22,664	
Accrued wages and related items	49,149	
Due to Commission		
Deferred revenue		
TOTAL LIABILITIES	197,930	
FUND BALANCE		
Undesignated	331,795	
TOTAL LIABILITIES AND FUND BALANCE	\$ 529,725	\$

See accompanying notes to financial statements.

SPECIAL  
REVENUE FUND -  
PROJECTS

DIRECT COSTS	TOTAL SPECIAL REVENUE	ELIMINATIONS	TOTAL GOVERNMENTAL FUNDS
\$	\$	\$	\$
258,531	258,531		368,937
		(102,722)	41,019
			258,531
			17,047
<u>\$ 258,531</u>	<u>\$ 258,531</u>	<u>\$ (102,722)</u>	<u>\$ 685,534</u>
\$	\$	\$	\$
			126,117
102,722	102,722		22,664
155,809	155,809	(102,722)	49,149
<u>258,531</u>	<u>258,531</u>	<u>(102,722)</u>	<u>155,809</u>
			353,739
			331,795
<u>\$ 258,531</u>	<u>\$ 258,531</u>	<u>\$ (102,722)</u>	<u>\$ 685,534</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

Total fund balances - governmental funds	\$ 331,795
Amounts reported for governmental activities in the statement of net assets are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$189,389 and the accumulated depreciation is \$147,531	<u>41,858</u>
Total net assets - governmental activities	\$ <u><u>373,653</u></u>

See accompanying notes to financial statements.



**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	GENERAL FUND	SPECIAL REVENUE FUND - PROJECTS <u>INDIRECT COST</u>
REVENUES		
Federal sources	\$	\$
State sources		
Local sources		
Member allocations	299,509	
In-kind contributions		
Other sources		
Fixed asset reimbursements	17,630	
Interest	<u>6,321</u>	
TOTAL REVENUES	<u>323,460</u>	
EXPENDITURES		
Salaries and wages	30,541	185,129
Fringe benefits	12,149	73,642
Discretionary funds	2,780	
Staff recognition	250	
Telephone		3,126
Postage	755	2,715
Printing and copying	530	2,380
Office supplies	135	5,908
Graphic supplies		409
Travel-in region	658	1,900
Travel-out region	1,365	774
Training		
Commission meetings and travel	2,010	
Rent of facility		
Rent of office		49,226
Equipment maintenance		942
Computer services		2,652
Computer software		14,496
Insurance		6,440
Bank charges	6	
Subscriptions		533
Publications		203
Advertising		651
Depreciation		17,630

See accompanying notes to financial statements.

SPECIAL REVENUE FUND - PROJECTS			
DIRECT COSTS	TOTAL SPECIAL REVENUE	ELIMINATIONS	TOTAL GOVERNMENTAL FUNDS
\$ 600,235	\$ 600,235	\$	\$ 600,235
75,740	75,740		75,740
405,907	405,907		405,907
			299,509
8,434	8,434		8,434
10,500	10,500		10,500
		(17,630)	6,321
<u>1,100,816</u>	<u>1,100,816</u>	<u>(17,630)</u>	<u>1,406,646</u>
353,117	538,246		568,787
139,762	213,404		225,553
			2,780
			250
748	3,874		3,874
5,737	8,452		9,207
22,532	24,912		25,442
1,448	7,356		7,491
	409		409
6,234	8,134		8,792
8,247	9,021		10,386
2,323	2,323		2,323
			2,010
327	327		327
	49,226		49,226
	942		942
123	2,775		2,775
4,845	19,341		19,341
	6,440		6,440
			6
175	708		708
258	461		461
	651		651
	17,630	(17,630)	

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - Concluded**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	GENERAL FUND	SPECIAL REVENUE FUND - PROJECTS INDIRECT PROJECT COST
EXPENDITURES - Concluded		
Membership dues	\$	\$ 3,606
Special projects	2,238	
Consultant fee		
Contractual services	774	19,367
Furniture and equipment	13,108	
Audit	7,350	
Transfer for match		
Pass through		
Contributed services		
Indirect costs	<u>33,365</u>	<u>(391,729)</u>
TOTAL EXPENDITURES	<u>108,014</u>	
OTHER FINANCING SOURCES (USES)		
Operating transfers in (out)		
Transfer for match	13,117	
Local match	<u>(144,447)</u>	
TOTAL OTHER FINANCING SOURCES (USES)	<u>(131,330)</u>	
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	84,116	
FUND BALANCE, OCTOBER 1	247,354	
PRIOR PERIOD ADJUSTMENT	<u>325</u>	
FUND BALANCE, SEPTEMBER 30	<u>\$ 331,795</u>	<u>\$</u>

See accompanying notes to financial statements.

SPECIAL REVENUE FUND - PROJECTS			
DIRECT PROJECT COSTS	TOTAL SPECIAL REVENUE	ELIMINATIONS	TOTAL GOVERNMENTAL FUNDS
\$ 3,824	\$ 7,430	\$	\$ 7,430
23,057	23,057		25,295
226,636	226,636		226,636
5,948	25,315		26,089
			13,108
			7,350
13,117	13,117	(13,117)	
60,007	60,007		60,007
8,434	8,434		8,434
358,364	(33,365)		
1,245,263	1,245,263	(30,747)	1,322,530
144,447	144,447	(13,117)	
144,447	144,447	(13,117)	
			84,116
			247,354
			325
\$	\$	\$	\$ 331,795

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

Net changes in fund balances - total governmental funds	\$ 84,116
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures	
however, in the statement of activities, the cost of those assets	
is depreciated over their estimated useful lives	
Expenditures for capital assets	13,108
Less current year depreciation	<u>(17,630)</u>
Change in net assets of governmental activities	\$ <u><u>79,594</u></u>

See accompanying notes to financial statements.

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>				
Federal sources	\$ 644,596	\$ 660,525	\$ 600,235	\$ (60,290)
State sources	114,667	119,667	75,740	(43,927)
Local sources	297,500	322,500	405,907	83,407
Member allocations	406,800	406,800	299,509	(107,291)
In-kind contributions			8,434	8,434
Other sources			10,500	10,500
Fixed asset reimbursements	19,000	19,000	17,630	(1,370)
Interest			6,321	6,321
<b>TOTAL REVENUES</b>	<u>1,482,563</u>	<u>1,528,492</u>	<u>1,424,276</u>	<u>(104,216)</u>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in				
Local match	<u>152,054</u>	<u>157,364</u>	<u>144,447</u>	<u>(12,917)</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>1,634,617</u>	<u>1,685,856</u>	<u>1,568,723</u>	<u>(117,133)</u>
<b>EXPENDITURES</b>				
Salaries and wages	591,311	596,611	568,787	27,824
Fringe benefits	313,437	282,352	225,553	56,799
Discretionary funds		5,000	2,780	2,220
Staff recognition	250	250	250	
Legal	5,000			
Telephone	4,975	4,975	3,874	1,101
Postage	10,360	10,860	9,207	1,653
Printing and copying	26,600	30,600	25,442	5,158
Office supplies	9,250	9,250	7,491	1,759
Graphic supplies	1,900	1,900	409	1,491
Travel-in region	9,365	9,365	8,792	573
Travel-out region	22,550	22,550	10,386	12,164
Training	6,700	6,700	2,323	4,377
Commission meetings and travel	4,250	3,875	2,010	1,865
Rent of facility	1,100	1,100	327	773
Rent of office	51,000	49,310	49,226	84
Rent of equipment	1,300	1,300		1,300
Equipment maintenance	3,500	3,500	942	2,558
Computer services	4,500	4,500	2,775	1,725
Computer software	14,250	20,950	19,341	1,609
Insurance	6,450	6,450	6,440	10
Bank charges	250	250	6	244
Subscriptions	1,890	1,890	708	1,182
Publications	1,150	1,150	461	689
Advertising	3,850	3,850	651	3,199

See accompanying notes to financial statements.

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL - Concluded**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
EXPENDITURES - Concluded				
Depreciation	\$ 19,000	\$ 19,000	\$ 17,630	\$ 1,370
Membership dues	10,175	10,175	7,430	2,745
Special projects	15,000	30,000	25,295	4,705
Consultant fee	225,500	246,739	226,636	20,103
Contractual services	10,000	27,000	26,089	911
Furniture and equipment	15,000	15,000	13,108	1,892
Audit	7,700	7,350	7,350	
Pass-through	85,000	100,000	60,007	39,993
Contributed services			8,434	(8,434)
TOTAL EXPENDITURES	<u>1,482,563</u>	<u>1,533,802</u>	<u>1,340,160</u>	<u>193,642</u>
OTHER FINANCING USES				
Operating transfers out				
Local match	<u>152,054</u>	<u>157,364</u>	<u>144,447</u>	<u>12,917</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>1,634,617</u>	<u>1,691,166</u>	<u>1,484,607</u>	<u>206,559</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES		(5,310)	84,116	89,426
FUND BALANCE, OCTOBER 1	247,354	247,354	247,354	
PRIOR PERIOD ADJUSTMENT			325	325
FUND BALANCE, SEPTEMBER 30	<u>\$ 247,354</u>	<u>\$ 242,044</u>	<u>\$ 331,795</u>	<u>\$ 89,751</u>

See accompanying notes to financial statements.

## TRI-COUNTY REGIONAL PLANNING COMMISSION

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2006

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tri-County Regional Planning Commission is a governmental component unit established on July 18, 1956 under the authority of Act 281 of Michigan Public Acts of 1945. The Commission is a voluntary organization joining Clinton, Eaton and Ingham Counties and the City of Lansing to foster a cooperative effort in identifying and resolving various community planning issues in the Tri-County area. Primary financing is provided through various agreements with state and federal agencies and local appropriations.

##### A. Reporting Entity

All funds and account groups (primary government) under direct control of Tri-County Regional Planning Commission are included in this report. These funds and account groups are those which meet the criteria established by the Governmental Accounting Standards Board (GASB) No. 14. Component units, also required under GASB 14, are legally separate organizations for which the elected officials of the primary government are financially accountable. As of September 30, 2006, the Commission has no component units.

##### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government of Tri-County Regional Planning Commission. For the most part, the effect of interfund activities has been removed from these statements. Governmental activities, which are normally supported by intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for services. As of September 30, 2006, the Commission has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds and major individual enterprise funds are reported as separate columns in the fund financial statements. As of September 30, 2006, Tri-County Planning Commission has no proprietary, enterprise or fiduciary funds.

##### C. Measurement Focus, Basis of Accounting, and Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are reported when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.



TRI-COUNTY REGIONAL PLANNING COMMISSION

NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2006

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -- Continued

C. Measurement Focus, Basis of Accounting, and Financial Statements -- Concluded

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when a liability is incurred, as under accrual accounting.

Intergovernmental revenues, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by Tri-County Regional Planning Commission.

Tri-County Regional Planning Commission reports the following major governmental funds:

The General Fund is the Commission's primary operating fund. It accounts for all financial resources of the general government not directly attributed to a specific project, which are accounted for in another fund.

The Projects Fund accounts for resources and costs, including an allocation of indirect costs, attributed to contractually administered projects. The Projects Fund is a special revenue fund.

The Commission has no non-major governmental funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to this same limitation. Tri-County Regional Planning Commission has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) intergovernmental revenues 2) operating grants and contributions, and 3) capital grants and contributions.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from provided services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. As of September 30, 2006, the Commission has no proprietary, enterprise or internal service funds.

# TRI-COUNTY REGIONAL PLANNING COMMISSION

## NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2006

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Concluded

#### D. Budgets and Budgetary Accounting

The overall budget is based upon individual projects and Planning Commission General Fund budgets. Budgeted amounts are as originally adopted, and may be amended by the Commission. Individual budget amendments were not material in relation to the originally approved amounts. Budgets lapse at the end of the fiscal year.

#### E. Accounts Receivable

Accounts receivable are recorded at their net realizable value. The Commission does not require collateral.

#### F. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by Tri-County Regional Planning Commission as assets with an initial, individual cost of \$100 or more and an estimated useful life in excess of one year.

All capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are recorded at estimated fair market value on the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Each year, a provision for depreciation is charged to the projects as a means of reimbursing the General Fund for asset acquisition; such reimbursements are included in other sources of revenue in the General Fund. The assets are depreciated using the straight-line method over lives of three to ten years.

#### G. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions that affect the reporting of certain assets, liabilities, revenues, and expenditures. Actual results may differ from estimated amounts.

#### H. Deposits and Investments

All highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are defined as cash equivalents. All investments are reported at fair value.

#### I. Advertising

The Commission expenses advertising cost as incurred.

#### J. Accumulated Unpaid Vacation

Accumulated unpaid vacation benefit obligations are accrued when incurred, as such obligations are expected to be paid within the ensuing year.

# TRI-COUNTY REGIONAL PLANNING COMMISSION

## NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2006

### NOTE 2: CASH AND INVESTMENTS

State statutes authorize the Commission to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper within the three highest rate classifications by at least two rating services, repurchase agreements collateralized by U.S. Government securities, bankers acceptances and mutual funds composed of investments which are legal for direct investment by local units of government in Michigan.

As of September 30, 2006, the carrying amount and bank balance for each type of deposit and investment account is as follows:

ACCOUNT TYPE	BOOK BALANCE	BANK BALANCE	FDIC INSURED
Cash and cash equivalents			
Petty cash	\$ 150	\$	\$
Demand deposits	<u>368,787</u>	<u>368,789</u>	<u>262,378</u>
	<u>\$ 368,937</u>	<u>\$ 368,789</u>	<u>\$ 262,378</u>
Investments			
Certificates of deposit	<u>\$ 41,019</u>	<u>\$ 41,019</u>	<u>\$ 37,202</u>

The Commission's investments (including those presented as cash) are categorized as follows to give an indication of the level of risk assumed by the Commission. Category 1 includes deposits and investments that are insured or registered or for which the securities are held by the Commission or its agent in the Commission's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the brokers' or dealers' trust department or agent in the Commission's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Commission's name.

At September 30, 2006, the Commission's investments were classified as follows:

Insured	<u>\$ 37,202</u>
Uninsured and uncollateralized	<u>\$ 3,817</u>

#### Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Commission does not have a deposit policy for custodial credit risk. As of September 30, 2006, \$110,228 of the Commission's bank balance of \$409,808 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 110,228</u>
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# **TRI-COUNTY REGIONAL PLANNING COMMISSION**

## NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2006

### **NOTE 3: DUE TO/DUE FROM OTHER GOVERNMENTAL UNITS**

Due from other governmental units and others represents the excess of amounts earned under a project contract over payments received.

PROJECT	DUE FROM
Federal	
FHWA PL-2006-0011/z	\$ 58,242
FHWA PL-2006-0011/z3 and 2006-0011/z4	74,187
EDA 06-83-05138	3,710
FTA PL-2006-0011/z	14,275
Michigan Department of Transportation	
Regional Transportation	6,311
Asset Management	15,638
Centers for Regional Excellence/MSHDA	1,854
Wellhead Protection	40,000
Aquifer Study	12,832
Mid-Michigan Water Authority	2,628
RED Team	<u>28,854</u>
	<u>\$ 258,531</u>

### **NOTE 4: INTERFUND RECEIVABLES/PAYABLES**

Amounts due from/to other funds are a result of cash and accrued liability accounts being recorded in the General Fund. At September 30, 2006, project costs exceeded project receipts resulting in a balance of \$102,722 due from the Project Fund to the General Fund.

### **NOTE 5: CHANGES IN CAPITAL ASSETS**

A summary of changes in governmental capital assets is as follows:

	OCTOBER 1, 2005	ADDITIONS	DELETIONS	SEPTEMBER 30, 2006
Capital assets being depreciated				
Furniture and equipment	\$ 182,790	\$ 13,108	\$ ( 6,509)	\$ 189,389
Less: accumulated depreciation				
Furniture and equipment	<u>136,410</u>	<u>17,630</u>	<u>( 6,509)</u>	<u>147,531</u>
NET CAPITAL ASSETS	<u>\$ 46,380</u>	<u>\$ ( 4,522)</u>	<u>\$</u>	<u>\$ 41,858</u>

Depreciation for the governmental activities was charged to the following functions and activities:

#### **GOVERNMENTAL ACTIVITY**

Projects	
Indirect cost	<u>\$ 17,630</u>

# **TRI-COUNTY REGIONAL PLANNING COMMISSION**

## NOTES TO FINANCIAL STATEMENTS - Continued

SEPTEMBER 30, 2006

### **NOTE 6: INTERFUND TRANSFERS**

The following are transfers, by fund, for the year ending September 30, 2006:

GOVERNMENTAL FUND	TRANSFERS IN	GOVERNMENTAL FUND	TRANSFERS OUT
General Fund	\$ 17,630	Projects	\$ 17,630
Projects	144,447	General Fund	144,447
General Fund	<u>13,117</u>	Projects	<u>13,117</u>
<b>TOTAL</b>	<b>\$ <u>175,194</u></b>	<b>TOTAL</b>	<b>\$ <u>175,194</u></b>

### **NOTE 7: DEFERRED REVENUE**

Amounts received under contractual agreements are deferred as revenue until such time as qualifying expenditures are made.

Projects	
Groundwater Management - 2006	\$ 16,187
Groundwater Management - 2007	67,502
Non-Point Pollution	<u>72,120</u>
	<b>\$ <u>155,809</u></b>

### **NOTE 8: DEFINED CONTRIBUTION PLAN**

Tri-County Regional Planning Commission sponsors a defined contribution plan called the Tri-County Regional Planning Commission Employee Money Purchase Plan. The plan covers all permanent employees who have attained the age of twenty-one and have one full year of service with the Commission.

The employer is required to contribute 9.0% of all covered payroll. Required contributions to the plan were \$45,224, covered payroll was \$502,484 and total payroll was \$569,193 during the fiscal year. Contribution to the plan during the fiscal year was \$45,224.

The vesting of the employee benefits are as follows:

YEARS IN PLAN	VESTING PERCENTAGE
1	0%
2	20
3	40
4	60
5	80
6	100

### **NOTE 9: CONTINGENCIES**

Grants and reimbursements are subject to audit by the payers. Upon audit, expenditures may be disallowed as not chargeable to the program and, in such event, would be refundable to the payer. Refunds, if any, generally would be payable from Tri-County Regional Planning Commission's undesignated funds.

# **TRI-COUNTY REGIONAL PLANNING COMMISSION**

## NOTES TO FINANCIAL STATEMENTS - Concluded

SEPTEMBER 30, 2006

### **NOTE 10: ECONOMIC DEPENDENCY**

The Commission receives substantially all of its support from federal, state and local governments. A significant reduction in the level of this support, if this were to occur, could have an effect on the Commission's activities.

### **NOTE 11: LEASE**

The Commission leases office space based on an annual lease extension agreement. The original lease term began December 28, 1998, and is extended through November 30, 2007. Rental expense for the year ended September 30, 2006 was \$49,226. Future minimum payments are as follows:

YEAR ENDING	AMOUNT
September 30, 2007	\$ 50,292
September 30, 2008	<u>8,382</u>
	<u>\$ 58,674</u>

### **NOTE 12: EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS**

P.A. 621 of 1978, section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

During the year ended September 30, 2006, Tri-County Regional Planning Commission incurred the following expenditures in certain budgetary funds that were in excess of the amounts appropriated as reported in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds – Budget and Actual:

	BUDGET	ACTUAL	EXCESS OF AMOUNT APPROPRIATED
<b>PROJECT FUND</b>			
Contributed services	\$	\$ 8,434	\$( 8,434)

### **NOTE 13: PRIOR PERIOD ADJUSTMENT**

For the year ended September 30, 2006, the following prior period adjustments have been recorded:

Special Revenue Funds – Projects	
Various revenue corrections	\$ 875
Various expenditure corrections	<u>( 550 )</u>
	<u>\$ 325</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
 COMBINING SCHEDULE OF PROJECT REVENUES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	CENTERS FOR REGIONAL EXCELLENCE / MSHDA (301)	WELLHEAD PROTECTION (302)	NON-POINT POLLUTION COMMITTEE (303)	GROUND WATER MANAGEMENT (304)
REVENUES				
Federal sources	\$	\$	\$	\$
State sources	1,854			
Local sources		40,000	78,259	77,597
In-kind contributions				
Other				10,500
TOTAL REVENUES	<u>1,854</u>	<u>40,000</u>	<u>78,259</u>	<u>88,097</u>
OTHER FINANCING SOURCES				
Operating transfers in				
Local match				
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ <u>1,854</u>	\$ <u>40,000</u>	\$ <u>78,259</u>	\$ <u>88,097</u>

AQUIFER STUDY (306)	MID- MICHIGAN WATER AUTHORITY 2005 (309)	MID- MICHIGAN WATER AUTHORITY 2006 (308)	AERIAL PHOTOGRAPHY (311)	EDA ADMIN. GRANT 05-06 (314)	EDA ADMIN. GRANT 06-07 (315)
\$	\$	\$	\$	\$	\$
40,000	623	2,628	2,524	39,462	16,867
					8,434
<u>40,000</u>	<u>623</u>	<u>2,628</u>	<u>2,524</u>	<u>39,462</u>	<u>25,301</u>
				<u>13,154</u>	<u>8,433</u>
\$ <u><u>40,000</u></u>	\$ <u><u>623</u></u>	\$ <u><u>2,628</u></u>	\$ <u><u>2,524</u></u>	\$ <u><u>52,616</u></u>	\$ <u><u>33,734</u></u>



TRI-COUNTY REGIONAL PLANNING COMMISSION  
 COMBINING SCHEDULE OF PROJECT REVENUES - Concluded  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	MODELING (310)	RED TEAM FUNDS (345)	STP (434)
REVENUES			
Federal sources	\$	\$	\$ 185,502
State sources			
Local sources	107,291	56,985	
In-kind contributions			
Other			
TOTAL REVENUES	<u>107,291</u>	<u>56,985</u>	<u>185,502</u>
OTHER FINANCING SOURCES			
Operating transfers in			
Local match			41,134
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ <u><u>107,291</u></u>	\$ <u><u>56,985</u></u>	\$ <u><u>226,636</u></u>

MDOT GRANT ASSET MANAGEMENT (405)	MDOT/ FHWA PL FUNDS (431)	FTA GRANT PL-2006-0011/z SECTION 5303 FUNDS (432)	REGIONAL TRANSPORTATION CONTRACT (433)	TOTAL
\$ 33,786	\$ 278,748	\$ 79,656	\$ 40,100	\$ 600,235
				75,740
				405,907
				8,434
				10,500
<u>33,786</u>	<u>278,748</u>	<u>79,656</u>	<u>40,100</u>	<u>1,100,816</u>
	<u>61,812</u>	<u>19,914</u>		<u>144,447</u>
\$ <u><u>33,786</u></u>	\$ <u><u>340,560</u></u>	\$ <u><u>99,570</u></u>	\$ <u><u>40,100</u></u>	\$ <u><u>1,245,263</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
 COMBINING SCHEDULE OF PROJECT EXPENDITURES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	CENTERS FOR REGIONAL EXCELLENCE / MSHDA (301)	WELLHEAD PROTECTION (302)	NON-POINT POLLUTION COMMITTEE (303)	GROUND WATER MANAGEMENT (304)
EXPENDITURES				
Direct costs				
Salaries and wages	\$ 630	\$ 17,152	\$ 21,710	\$ 29,722
Fringe benefits	251	6,823	8,636	11,824
Telephone				55
Postage	2	7	142	750
Printing and copying		109	722	940
Office supplies	222		25	37
Travel-in region	17	123	263	2,009
Travel-out region			90	431
Training			346	
Rent of facility				204
Computer services				123
Computer software				
Subscriptions				
Publications			48	100
Membership dues				198
Special projects			11,588	10,434
Consultant fee				
Contractual services				1,026
Transfer for match				
Pass-through			13,839	
Contributed services				
Indirect costs	<u>732</u>	<u>15,786</u>	<u>20,850</u>	<u>30,244</u>
TOTAL EXPENDITURES	\$ <u><u>1,854</u></u>	\$ <u><u>40,000</u></u>	\$ <u><u>78,259</u></u>	\$ <u><u>88,097</u></u>

AQUIFER STUDY (306)	MID- MICHIGAN WATER AUTHORITY 2005 (309)	MID- MICHIGAN WATER AUTHORITY 2006 (308)	AERIAL PHOTOGRAPHY (311)	EDA ADMIN. GRANT 05-06 (314)	EDA ADMIN. GRANT 06-07 (315)
\$	\$ 261 104	\$ 1,082 431	\$	\$ 22,466 8,936 99	\$ 9,912 3,943 40
	6 6	41 37		350	95
					1,325
40,000	246	1,037	2,524	20,765	8,434
<u>\$ 40,000</u>	<u>\$ 623</u>	<u>\$ 2,628</u>	<u>\$ 2,524</u>	<u>\$ 52,616</u>	<u>\$ 33,734</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
 COMBINING SCHEDULE OF PROJECT EXPENDITURES - Concluded  
 FOR THE YEAR ENDED SEPTEMBER 30, 2006

	MODELING (310)	RED TEAM FUNDS (345)	STP (434)
EXPENDITURES			
Direct costs			
Salaries and wages	\$ 44,892	\$ 23,378	\$
Fringe benefits	17,858	9,299	
Telephone		8	
Postage		346	
Printing and copying		449	
Office supplies		26	
Travel-in region		296	
Travel-out region	2,199		
Training			
Rent of facility			
Computer services			
Computer software			
Subscriptions			
Publications			
Membership dues			
Special projects		1,035	
Consultant fee			226,636
Contractual services		112	
Transfer for match			
Pass-through			
Contributed services			
Indirect costs	<u>42,342</u>	<u>22,036</u>	
TOTAL EXPENDITURES	\$ <u><u>107,291</u></u>	\$ <u><u>56,985</u></u>	\$ <u><u>226,636</u></u>

MDOT GRANT ASSET MANAGEMENT (405)	MDOT/ FHWA PL FUNDS (431)	FTA GRANT PL-2006-0011/z SECTION 5303 FUNDS (432)	REGIONAL TRANSPORTATION CONTRACTS (433)	TOTAL
\$ 12,818	\$ 121,942	\$ 36,338	\$ 10,814	\$ 353,117
5,312	48,975	13,720	3,650	139,762
	403	143		748
	3,305	906	232	5,737
	15,388	4,012	869	22,532
	857	213	68	1,448
323	2,004	611	143	6,234
70	3,657	1,953	(153)	8,247
978	785	214		2,323
123				327
				123
	3,517	868	460	4,845
	127	31	17	175
	86	24		258
	1,808	493		3,824
				23,057
				226,636
8	3,659	1,017	126	5,948
			13,117	13,117
1,431	2,213			60,007
				8,434
<u>12,723</u>	<u>131,834</u>	<u>39,027</u>	<u>10,757</u>	<u>358,364</u>
\$ <u><u>33,786</u></u>	\$ <u><u>340,560</u></u>	\$ <u><u>99,570</u></u>	\$ <u><u>40,100</u></u>	\$ <u><u>1,245,263</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
CENTERS FOR REGIONAL EXCELLENCE / MSHDA  
PROJECT PERIOD APRIL 1, 2006 THROUGH MARCH 31, 2008

APRIL 1,  
2006  
THROUGH  
SEPTEMBER 30,  
2006

VARIOUS MUNICIPALITIES - Cash (301)

REVENUES

State of Michigan

Receivables - current year

\$ 1,854

EXPENDITURES

Direct costs

Salaries and wages

Fringe benefits

Postage

Office supplies

Travel in-region

Indirect costs

\$ 630

251

2

222

17

732

TOTAL EXPENDITURES

\$ 1,854

TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
WELLHEAD PROTECTION  
PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

VARIOUS MUNICIPALITIES - Cash (302)

REVENUES

Local

Receivables - current year

\$ 40,000

EXPENDITURES

Direct costs

Salaries and wages

\$ 17,152

Fringe benefits

6,823

Postage

7

Printing and copying

109

Travel-in region

123

Indirect costs

15,786

TOTAL EXPENDITURES

\$ 40,000



**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**NON-POINT POLLUTION COMMITTEE 2006**  
**PROJECT PERIOD OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2006**

VARIOUS MUNICIPALITIES - Cash (303)	OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006	OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2005	OCTOBER 1, 2000 THROUGH SEPTEMBER 30, 2006
<b>REVENUES</b>			
Local			
Cash received	\$ 81,281	\$ 540,465	\$ 621,746
Deferred revenue - prior year	69,098		69,098
Deferred revenue - current year	(72,120)		(72,120)
<b>TOTAL REVENUES</b>	<b>\$ 78,259</b>	<b>\$ 540,465</b>	<b>\$ 618,724</b>
<b>EXPENDITURES</b>			
Direct costs			
Salaries and wages	\$ 21,710	\$ 21,192	\$ 42,902
Fringe benefits	8,636	10,070	18,706
Postage	142	306	448
Printing and copying	722	406	1,128
Office supplies	25	50	75
Travel-in region	263	1,163	1,426
Travel-out region	90		90
Training	346		346
Computer services		239	239
Publications	48		48
Special projects	11,588	11,389	22,977
Contractual services		1,160	1,160
Pass-through	13,839	473,554	487,393
Indirect costs	20,850	20,936	41,786
<b>TOTAL EXPENDITURES</b>	<b>\$ 78,259</b>	<b>\$ 540,465</b>	<b>\$ 618,724</b>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
GROUNDWATER MANAGEMENT 2006  
PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

VARIOUS MUNICIPALITIES - Cash (304)

REVENUES

Local

Cash received	\$	49,833
Deferred revenue - prior year		43,951
Deferred revenue - current year		(16,187)
Other revenue		10,500
TOTAL REVENUES	\$	<u>88,097</u>

EXPENDITURES

Direct costs

Salaries and wages	\$	29,722
Fringe benefits		11,824
Telephone		55
Postage		750
Printing and copying		940
Office supplies		37
Travel-in region		2,009
Travel-out region		431
Rent of facility		204
Computer services		123
Publications		100
Membership dues		198
Special projects		10,434
Contractual services		1,026
Indirect costs		30,244
TOTAL EXPENDITURES	\$	<u>88,097</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**AQUIFER STUDY**  
**PROJECT PERIOD MARCH 1, 2004 THROUGH SEPTEMBER 30, 2007**

VARIOUS MUNICIPALITIES - Cash (306)	OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006	MARCH 1, 2004 THROUGH SEPTEMBER 30, 2005	MARCH 1, 2004 THROUGH SEPTEMBER 30, 2006
REVENUES			
Local -			
Cash received	\$	\$	\$
Deferred revenue - prior year	27,168	110,000	110,000
Receivables - current year	12,832		27,168
			12,832
TOTAL REVENUES	\$ <u>40,000</u>	\$ <u>110,000</u>	\$ <u>150,000</u>
EXPENDITURES			
Direct costs			
Pass-through	\$ <u>40,000</u>	\$ <u>110,000</u>	\$ <u>150,000</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**MID-MICHIGAN WATER AUTHORITY 2005**  
**PROJECT PERIOD JANUARY 1, 2005 THROUGH DECEMBER 31, 2005**

MID-MICHIGAN WATER AUTHORITY - Cash (309)	OCTOBER 1, 2005 THROUGH DECEMBER 31, 2005	JANUARY 1, 2005 THROUGH SEPTEMBER 30, 2005	JANUARY 1, 2005 THROUGH DECEMBER 31, 2005
REVENUES			
Local			
Cash received	\$ <u>623</u>	\$ <u>1,610</u>	\$ <u>2,233</u>
EXPENDITURES			
Direct costs			
Salaries and wages	\$ 261	\$ 665	\$ 926
Fringe benefits	104	320	424
Postage	6	3	9
Printing and copying	6	12	18
Indirect costs	<u>246</u>	<u>610</u>	<u>856</u>
TOTAL EXPENDITURES	\$ <u>623</u>	\$ <u>1,610</u>	\$ <u>2,233</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
MID-MICHIGAN WATER AUTHORITY 2006  
PROJECT PERIOD JANUARY 1, 2006 THROUGH DECEMBER 31, 2006

MID-MICHIGAN WATER AUTHORITY - Cash (308)

REVENUES

Local

Receivables - current year

\$ 2,628

EXPENDITURES

Direct costs

Salaries and wages

\$ 1,082

Fringe benefits

431

Postage

41

Printing and copying

37

Indirect costs

1,037

TOTAL EXPENDITURES

\$ 2,628

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**AERIAL PHOTOGRAPHY**  
**PROJECT PERIOD OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2006**

VARIOUS MUNICIPALITIES - Cash (311)	OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006	OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2005	OCTOBER 1, 2004 THROUGH SEPTEMBER 30, 2006
REVENUES			
Local			
Cash received	\$ <u>2,524</u>	\$ <u>229,376</u>	\$ <u>231,900</u>
EXPENDITURES			
Direct costs			
Pass-through	\$ <u>2,524</u>	\$ <u>229,376</u>	\$ <u>231,900</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**EDA ADMINISTRATION GRANT 2005 - 2006**  
**PROJECT PERIOD JULY 1, 2005 THROUGH JUNE 30, 2006**

EDA GRANT NO 06-83-05028 (314)	OCTOBER 1, 2005 THROUGH JUNE 30, 2006	JULY 1, 2005 THROUGH SEPTEMBER 30, 2005	JULY 1, 2005 THROUGH JUNE 30, 2006
EDA - \$60,891 - Cash			
TCRPC - \$20,297 - Cash			
<b>REVENUES</b>			
Federal grant			
Cash received	\$ 39,462	\$ 21,429	\$ 60,891
<b>OTHER FINANCING SOURCES</b>			
Operating transfers in			
Local match	13,154	7,143	20,297
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 52,616</u>	<u>\$ 28,572</u>	<u>\$ 81,188</u>
<b>EXPENDITURES</b>			
Direct costs			
Salaries and wages	\$ 22,466	\$ 11,070	\$ 33,536
Fringe benefits	8,936	5,326	14,262
Telephone	99	17	116
Postage		18	18
Printing and copying		5	5
Travel-in region	350	61	411
Membership dues		1,150	1,150
Indirect costs	20,765	10,925	31,690
<b>TOTAL EXPENDITURES</b>	<u>\$ 52,616</u>	<u>\$ 28,572</u>	<u>\$ 81,188</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**EDA ADMINISTRATIVE GRANT 2006 - 2007**  
**PROJECT PERIOD JULY 1, 2006 THROUGH JUNE 30, 2007**

EDA GRANT NO. 06-83-05138 (315)

EDA - \$52,628 - Cash

TCRPC - \$52,628 - Cash

**REVENUES**

Federal grant

Cash received

\$ 13,157

Receivables - current year

3,710

Other

In-kind contributions

8,434

**TOTAL REVENUES**

25,301

**OTHER FINANCING SOURCES**

Operating transfers in

Local match

8,433

**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

\$ 33,734

**EXPENDITURES**

Direct costs

Salaries and wages

\$ 9,912

Fringe benefits

3,943

Telephone

40

Travel in-region

95

Membership dues

1,325

Contributed services

8,434

Indirect costs

9,985

**TOTAL EXPENDITURES**

\$ 33,734



TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
MODELING  
PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

VARIOUS MUNICIPALITIES - Cash (310)

REVENUES

Local	
Cash received	\$ <u>107,291</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 44,892
Fringe benefits	17,858
Travel out-region	2,199
Indirect costs	<u>42,342</u>

TOTAL EXPENDITURES	\$ <u>107,291</u>
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**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**REGIONAL ECONOMIC DEVELOPMENT TEAM**  
**PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006**

RED TEAM - Cash (345)

REVENUES

RED Team

Cash received

\$ 28,131

Receivables - current year

28,854

TOTAL REVENUES

\$ 56,985

EXPENDITURES

Direct costs

Salaries and wages

\$ 23,378

Fringe benefits

9,299

Telephone

8

Postage

346

Printing and copying

449

Office supplies

26

Travel - in region

296

Special projects

1,035

Contractual services

112

Indirect costs

22,036

TOTAL EXPENDITURES

\$ 56,985

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**

**STP**

PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

FHWA CONTRACT NO 2006-0011/z3 and 2006-0011/z4 (434)  
FHWA-STP - \$180,400 and \$17,384 - Cash  
TCRPC - \$45,100 and \$3,855 - Cash

**REVENUES**

Federal

Cash received	\$ 111,315
Receivables - current year	<u>74,187</u>
TOTAL REVENUES	<u>185,502</u>

**OTHER FINANCING SOURCES**

Operating transfers in  
Local match

TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>41,134</u>
	<u>\$ 226,636</u>

**EXPENDITURES**

Direct costs  
Consultant fee

	<u>\$ 226,636</u>
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TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
MDOT GRANT - ASSET MANAGEMENT  
PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

MDOT GRANT (405)  
MDOT - \$33,786 - Cash

REVENUES

State of Michigan	
Cash received	\$ 18,148
Receivables - current year	15,638
TOTAL REVENUES	<u>\$ 33,786</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 12,818
Fringe benefits	5,312
Travel-in region	323
Travel-out region	70
Training	978
Rent of facility	123
Contractual services	8
Pass-through	1,431
Indirect costs	<u>12,723</u>
TOTAL EXPENDITURES	<u>\$ 33,786</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
MDOT/FHWA PL FUNDS  
PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

MDOT/FHWA CONTRACT NO. PL 2006-0011/z1 (431)  
MDOT/FHWA - \$316,928 - Cash  
TCRPC - \$70,278 - Cash

REVENUES

Federal grant	
Cash received	\$ 220,506
Receivables - current year	58,242
TOTAL REVENUES	<u>278,748</u>

OTHER FINANCING SOURCES

Operating transfers in	
Local match	61,812
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 340,560</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 121,942
Fringe benefits	48,975
Telephone	403
Postage	3,305
Printing and copying	15,388
Office supplies	857
Travel-in region	2,004
Travel-out region	3,657
Training	785
Computer software	3,517
Subscriptions	127
Publications	86
Membership dues	1,808
Contractual services	3,659
Pass-through	2,213
Indirect costs	131,834
TOTAL EXPENDITURES	<u>\$ 340,560</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF PROJECT REVENUES AND EXPENDITURES**  
**FEDERAL TRANSIT ADMINISTRATION**  
**SECTION 5303 FUNDS**  
**PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006**

FTA CONTRACT NO. PL 2006-0011/z2 (432)  
 FTA - \$82,205 - Cash  
 TCRPC - \$20,551 - Cash

**REVENUES**

Federal grant	
Cash	\$ 65,381
Receivables - current year	<u>14,275</u>
<b>TOTAL REVENUES</b>	<u><b>79,656</b></u>

**OTHER FINANCING SOURCES**

Operating transfers in	
Local match	<u>19,914</u>
<b>TOTAL REVENUES AND OTHER</b>	
<b>FINANCING SOURCES</b>	<u><u>\$ 99,570</u></u>

**EXPENDITURES**

Direct costs	
Salaries and wages	\$ 36,338
Fringe benefits	13,720
Telephone	143
Postage	906
Printing and copying	4,012
Office supplies	213
Travel-in region	611
Travel-out region	1,953
Training	214
Computer software	868
Subscriptions	31
Publications	24
Membership dues	493
Contractual services	1,017
Indirect costs	<u>39,027</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 99,570</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
SCHEDULE OF PROJECT REVENUES AND EXPENDITURES  
REGIONAL TRANSPORTATION CONTRACT  
PROJECT PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

MDOT CONTRACT NO. 2006-0022/z1 (433)

MDOT - \$40,100 - Cash

REVENUES

State of Michigan	
Cash received	\$ 33,789
Receivables - current year	<u>6,311</u>
TOTAL REVENUES	<u>\$ 40,100</u>

EXPENDITURES

Direct costs	
Salaries and wages	\$ 10,814
Fringe benefits	3,650
Postage	232
Printing and copying	869
Office supplies	68
Travel-in region	143
Travel-out region	(153)
Computer software	460
Subscriptions	17
Contractual services	126
Transfers for match	13,117
Indirect costs	<u>10,757</u>
TOTAL EXPENDITURES	<u>\$ 40,100</u>

TRI-COUNTY REGIONAL PLANNING COMMISSION  
ANALYSIS OF COMPLETED PROJECTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2006

	WELLHEAD PROTECTION (302)	NON-POINT POLLUTION COMMITTEE 2006 (303)	GROUNDWATER MANAGEMENT 2006 (304)	MID-MICHIGAN WATER AUTHORITY 2005 (309)
Total expenditures	\$ 40,000	\$ 618,724	\$ 88,097	\$ 2,233
Less: locally funded expenditures	<u>40,000</u>	<u>618,724</u>	<u>88,097</u>	<u>2,233</u>
Allowable expenditures				
Grantor participation	<u></u>	<u></u>	<u></u>	<u></u>
Grant revenues				
Grant receipts	<u></u>	<u></u>	<u></u>	<u></u>
Due from Grantor	\$ <u><u></u></u>	\$ <u><u></u></u>	\$ <u><u></u></u>	\$ <u><u></u></u>



AERIAL PHOTOGRAPHY 04-06 (311)	EDA ADMIN. GRANT 05-06 (314)	MODELING (310)	REGIONAL ECONOMIC DEVELOPMENT TEAM (345)	STP (328)	MDOT GRANT ASSET MANAGEMENT (405)
\$ 231,900	\$ 81,188	\$ 107,291	\$ 56,985	\$ 226,636	\$ 33,786
<u>231,900</u>	<u>20,297</u>	<u>107,291</u>	<u>56,985</u>	<u>41,134</u>	
	60,891			185,502	33,786
	<u>75.00%</u>			<u>81.85%</u>	
	60,891			185,502	33,786
	<u>60,891</u>			<u>111,315</u>	<u>18,148</u>
\$ <u><u>          </u></u>	\$ <u><u>          </u></u>	\$ <u><u>          </u></u>	\$ <u><u>          </u></u>	\$ <u><u>74,187</u></u>	\$ <u><u>15,638</u></u>

TRI-COUNTY REGIONAL PLANNING COMMISSION

ANALYSIS OF COMPLETED PROJECTS - Concluded

FOR THE YEAR ENDED SEPTEMBER 30, 2006

	MDOT/FHWA PL FUNDS (431)	FTA SECTION 5303 FUNDS (432)	REGIONAL TRANSPORTATION CONTRACT (433)
Total expenditures	\$ 340,560	\$ 99,570	\$ 40,100
Less: locally funded expenditures	<u>61,812</u>	<u>19,914</u>	<u></u>
Allowable expenditures	278,748	79,656	40,100
Grantor participation	<u>81.85%</u>	<u>80.00%</u>	<u>100.00%</u>
Grant revenues	278,748	79,656	40,100
Grant receipts	<u>220,506</u>	<u>65,381</u>	<u>33,789</u>
Due from Grantor	\$ <u><u>58,242</u></u>	\$ <u><u>14,275</u></u>	\$ <u><u>6,311</u></u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**ANALYSIS OF LOCAL MATCH AND INDIRECT CHARGES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	<u>LOCAL MATCH</u>		TOTAL
	<u>COMMISSION</u>	<u>PROJECTS</u>	
FHWA PL Funds	\$ 61,812	\$	\$ 61,812
Federal Transportation Administration	19,914		19,914
EDA Planning Grant 05/06	13,154		13,154
EDA Planning Grant 06/07	8,433		8,433
STP	41,134		41,134
MDOT - State Trunkline		13,117	13,117
	<u>\$ 144,447</u>	<u>\$ 13,117</u>	<u>\$ 157,564</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**ANALYSIS OF INDIRECT COST RATE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

	INDIRECT BASE	INDIRECT COSTS
Total expenditures	\$	\$ 1,484,607
Direct expenditures	1,092,879	(1,092,879)
Less:		
Special projects	(25,295)	
Furniture and equipment	(13,108)	
Consultant	(226,636)	
Contractual services	(6,723)	
Match	(144,447)	
Audit	(7,350)	
Pass-through	(60,008)	
Contributed services	(8,433)	
	<u>\$ 600,879</u>	<u>\$ 391,728</u>

Indirect cost rate (indirect costs as a percent of indirect base) 65.1925%

Indirect costs are allocated to all projects equally. Allocated indirect costs in excess of amounts that can be funded by a contract or grant are absorbed by the Commission through indirect credits. The indirect cost rate percentage is applied only against allowable direct costs in each project.

# TRI-COUNTY REGIONAL PLANNING COMMISSION

## SCHEDULE OF FRINGE BENEFITS

FOR THE YEAR ENDED SEPTEMBER 30, 2006

Social security	\$ 39,145
Unemployment taxes	67
Pension costs	45,224
Health insurance	113,366
Dental insurance	11,518
Group life insurance	7,711
Concern - employee assistance plan	410
Workers' compensation	2,413
Pension administration	2,670
Fringe benefits miscellaneous	3,027
Total fringe benefits	<u>\$ 225,551</u>
Salaries and wages for the year ended September 30, 2006	<u>\$ 568,788</u>
Fringe benefit rate - All employees	<u>39.6547%</u>
Fringe benefit rate - Full-time employees	39.7785%
Fringe benefit rate - Part-time employees	7.7625%

**TRI-COUNTY REGIONAL PLANNING COMMISSION**

**TRANSPORTATION SUMMARY OF EXPENDITURES**

**REGIONAL TRANSPORTATION**

MDOT PL-2006-0011/z1, FTA PL-2006-011/z2 AND MDOT 2006-0022/z1  
FOR THE PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

TASK #	TASK NAME	MDOT/ FHWA BUDGET	MDOT/ FHWA EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
I	Database management	\$ 156,846	\$ 137,583	\$ 19,263
II	Long-range planning	75,246	75,070	176
III	Short-range planning	7,138	4,411	2,727
IV	Program management and coordination	114,253	91,317	22,936
V	Transportation programming activities	33,721	32,179	1,542
VI	Other related activities			
	GRAND TOTALS	<u>\$ 387,204</u>	<u>\$ 340,560</u>	<u>\$ 46,644</u>

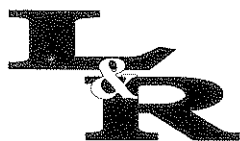
FTA SECTION 5303 BUDGET	FTA SECTION 5303 EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)	MDOT BUDGET	MDOT EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 34,102	\$ 29,593	\$ 4,509	\$ 12,338	\$ 11,151	\$ 1,187
17,759	17,318	441	15,227	15,726	(499)
1,643	1,972	(329)			
28,196	31,321	(3,125)	10,735	10,735	
8,322	9,766	(1,444)	1,600	1,552	48
<u>12,733</u>	<u>9,600</u>	<u>3,133</u>	<u>1,000</u>	<u>936</u>	<u>64</u>
\$ <u><u>102,755</u></u>	\$ <u><u>99,570</u></u>	\$ <u><u>-3,185</u></u>	\$ <u><u>40,900</u></u>	\$ <u><u>40,100</u></u>	\$ <u><u>800</u></u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
TRANSPORTATION SUMMARY OF EXPENDITURES - Concluded  
REGIONAL TRANSPORTATION  
MDOT PL-2006-0022/z2, AND FTA 2006-011/z3 AND 2006-0011/z4  
FOR THE PERIOD OCTOBER 1, 2005 THROUGH SEPTEMBER 30, 2006

TASK #	TASK NAME	ASSET MANAGEMENT BUDGET	ASSET MANAGEMENT EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
I	Database management	\$ 33,786	\$ 33,786	\$
II	Long-range planning			
III	Short-range planning			
IV	Program management and coordination			
V	Transportation programming activities			
VI	Other related activities			
	GRAND TOTALS	\$ <u>33,786</u>	\$ <u>33,786</u>	\$ <u></u>



STP BUDGET	STP EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)	TOTAL BUDGET	TOTAL EXPENDED	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 246,739	\$ 226,636	\$ 20,103	\$ 483,811	\$ 438,749	\$ 45,062
			108,232	108,114	118
			8,781	6,383	2,398
			153,184	133,373	19,811
			43,643	43,497	146
			13,733	10,536	3,197
<u>\$ 246,739</u>	<u>\$ 226,636</u>	<u>\$ 20,103</u>	<u>\$ 811,384</u>	<u>\$ 740,652</u>	<u>\$ 70,732</u>



# Layton & Richardson, P.C.

Certified Public Accountants

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tri-County Regional Planning Commission, as of and for the year ended September 30, 2006, which collectively comprise Tri-County Regional Planning Commission's basic financial statements and have issued our report thereon dated October 27, 2006. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tri-County Regional Planning Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tri-County Regional Planning Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain matters that we reported to management of Tri-County Regional Planning Commission, in a separate letter dated October 27, 2006.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the Commission, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Layton + Richardson PC*  
Certified Public Accountants

East Lansing, Michigan  
October 27, 2006



## Layton & Richardson, P.C.

*Certified Public Accountants*

### REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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#### Compliance

We have audited the compliance of Tri-County Regional Planning Commission with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement that are applicable to its major federal program for the year ended September 30, 2006. Tri-County Regional Planning Commission's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Tri-County Regional Planning Commission's management. Our responsibility is to express an opinion on Tri-County Regional Planning Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining on a test basis, evidence about Tri-County Regional Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Tri-County Regional Planning Commission's compliance with those requirements.

In our opinion, Tri-County Regional Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2006.

#### Internal Control Over Compliance

The management of Tri-County Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the Commission, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Larson & Richardson PC*  
*Certified Public Accountants*

East Lansing, Michigan  
October 27, 2006

**TRI-COUNTY REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF FEDERAL FINANCIAL AWARDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

FEDERAL GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS- THROUGH GRANTOR'S NUMBER
Department of Commerce		
EDA		
Support for Planning Programs	11.302	06-83-05028
	11.302	06-83-05138
Federal Highway Administration		
FHWA		
Passed through		
Michigan Department		
of Transportation	20.205	2006-0011/z1
FTA Section 5303		
FTA		
Passed through		
Michigan Department		
of Transportation	20.205	2006-0011/z2
FHWA		
STP		
Passed through		
Michigan Department		
of Transportation	20.205	2006-0011/z3
	20.205	2006-0011/z4

**NOTES:**

- (1) The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Tri-County Regional Planning Commission and is presented on the modified accrual basis of accounting. The information presented in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

GRANT		AWARD AMOUNT	CURRENT YEAR EXPENDITURES	CUMMULATIVE EXPENDITURES
FROM	TO			
7/1/2005	6/30/2006	\$ 60,891	\$ 39,462	\$ 60,891
7/1/2006	6/30/2007	52,628	25,301	25,301
10/1/2005	9/30/2006	316,928	278,748	278,748
10/1/2005	9/30/2006	82,205	79,656	79,656
10/1/2005	9/30/2006	180,400	169,536	169,536
3/9/2006	9/30/2006	17,384	<u>15,966</u>	<u>15,966</u>
			\$ <u>608,669</u>	\$ <u>630,098</u>

**TRI-COUNTY REGIONAL PLANNING COMMISSION**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED SEPTEMBER 30, 2006**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Tri-County Regional Planning Commission.
2. No reportable conditions relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of Tri-County Regional Planning Commission were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported.
5. The auditor's report on compliance for the major federal award programs for Tri-County Regional Planning Commission expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Tri-County Regional Planning Commission.
7. The programs tested as major programs were: Federal Highway Administration Grant, CFDA No. 20.505, Pass-through Grantor's Numbers 2006-0011/z1 and 2006-0011/z3.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Tri-County Regional Planning Commission was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

None.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None.



# Layton & Richardson, P.C.

Certified Public Accountants

## LETTER OF COMMENTS AND RECOMMENDATIONS

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We have audited the financial statements of TRI-COUNTY REGIONAL PLANNING COMMISSION for the year ended September 30, 2006, and have issued our report thereon dated October 27, 2006. As part of our audit, we made a study and evaluation of the system of internal accounting control of Tri-County Regional Planning Commission to the extent we considered necessary to evaluate the system as required by U.S. generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the Commission's financial statements.

The management of Tri-County Regional Planning Commission is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles. Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation, made for the limited purpose described in the first paragraph, would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Tri-County Regional Planning Commission. We noted the following recommendations that could improve the Commission's internal controls.

### PRIOR YEAR RECOMMENDATIONS

- 04-1. The Executive Secretary performs several cash receipt functions, such as delivering deposits to the bank, opening the bank statement and reconciling the bank statement to the accounting records. We recommend the Finance Director receive, open and review the monthly bank statements before they are submitted to the Executive Secretary for reconciling. Additionally, we recommend that the Executive Director open and review the bank statement two times annually. This would strengthen internal controls over cash receipts. **Current year status: See Current year recommendation 06-1.**
- 05-1. During our testing of cash disbursements, we noted that petty cash disbursements often do not have receipts attached to the petty cash slip in support of the disbursement. We recommend that receipts be obtained and attached to the petty cash slip to improve accountability over petty cash disbursements. **Current year status: Our testing this year did not specifically include petty cash reimbursements, however, it is our understanding that this recommendation has been implemented.**
- 05-2. In reviewing reports filed by the Commission in compliance with various grants, we noted instances where the filing date on the report was different from the date of the cover letter used in transmitting the report. This can cause confusion as to whether or not the report was filed timely. We recommend the filing date on the report and the related cover letter be the same date. **Current year status: During our testing of grant reporting this year, we did not note instances of this occurring. Accordingly, it appears that this recommendation has been implemented.**



## CURRENT YEAR RECOMMENDATIONS

06-1 Due to staffing changes, at the time of performing our year end audit procedures, the Executive Secretary is no longer involved in the processing of cash receipts and no longer reconciles the bank statements. The Finance Director is currently performing all functions of the cash receipts process and is reconciling the bank statements to the accounting records, resulting in inadequate segregation of duties. Strong internal controls require segregation of duties which protect both the organization (from individuals who are provided opportunities to take advantage of poor controls) and the individuals performing functions (by having others reviewing and confirming accurate and complete processing of information). As is common in smaller organizations, there are few staff members among whom accounting functions may be distributed. In situations such as this, it is important for the Executive Director to perform review and oversight functions to compensate for inadequate segregation of duties due to limited staff size. It is our understanding that the Executive Director and Finance Director have evaluated the cash receipts process and are in the process of implementing changes to strengthen internal controls over cash receipts. When these changes are fully implemented the following procedures and controls will be in place:

- a) The Secretary/Receptionist currently opens the mail, restrictively endorses all checks "for deposit only" and creates a cash receipt log, (a listing of all checks received including date, payee, amount and purpose). Daily, after checks are endorsed and listed, the Secretary/Receptionist gives the checks to the Finance Director along with any remittance information received from the payer. *(These steps are currently in place.)* If no remittance information is received, we recommend the Secretary/Receptionist make a photocopy of the check to provide an improved accounting record of all receipts.
- b) The Secretary/Receptionist will total the cash receipt log monthly, file one copy and give a copy to the Executive Director and to the Executive Secretary. *(The Executive Director currently receives a copy of the cash receipt log, without monthly totals, as prepared by the Secretary/Receptionist.)*
- c) The Finance Director records checks in a manual check register (maintained to monitor bank account balances.) Until a deposit is taken to the bank, the Finance Director holds checks received in a locked cabinet. On a regular basis, at least weekly and on or before the last day of each month, the Finance Director prepares a bank deposit slip and reconciles the deposit amount to the manual check register to confirm all items have been accounted for. The Finance Director keeps a copy of the deposit slip. A bank validated deposit receipt is obtained when the deposit is made at the bank. The Executive Director asks to see the deposit slip on a "surprise" basis to compare to the cash receipt log. *(These steps are currently in place.)*
- d) The bank statement will be delivered, unopened, to the Executive Secretary, who will open it and reconcile the bank statement activity and month end bank balance to the accounting records. As needed, the Finance Director will assist the Executive Secretary in performing the reconciliation. The Executive Secretary will initial and date the reconciliation upon completion and deliver it to the Finance Director.
- e) The Finance Director will review the reconciliation and document approval by initialing and dating the reconciliation under the Executive Secretary's initials.
- f) On a "surprise" basis (at least two times annually) the Executive Director will review the bank reconciliation and document approval by initialing and dating under the Finance Director's initials.

We concur with these changes and recommend their full implementation. They will add important review and oversight steps to help compensate for inadequate segregation of duties, thus improving internal controls over cash receipts.

06-2 During our testing of reporting required by grants, we noted instances where quarterly billings and progress reports were not filed on or before their due date. It is our understanding that an extension of time to file was obtained, however, there was no documentation available to evidence the extension. To help assure no grant expenditures will be denied by the grantor, it is important to document compliance with all terms of grant agreements. We recommend that all grant reports be filed timely. Additionally, we recommend that all report extension approvals be obtained in writing and be retained in the grant file with the copy of the corresponding report.

These conditions were considered in determining the nature, timing and extent of the tests to be applied in our audit of the September 2006, financial statements, and this report does not affect our report on the financial statements dated October 27, 2006.

We appreciate the assistance and cooperation extended to us by the staff at Tri-County Regional Planning Commission, particularly that of Greg Hoffman, whose contributions greatly facilitated the completion of our audit.

This report is intended solely for the use of management and federal and state agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by Tri-County Regional Planning Commission, is a matter of public record.

*Layton + Richardson PC*

*Certified Public Accountants*

East Lansing, Michigan  
October 27, 2006